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ARMS CONTROL AND DISARMAMENT AMENDMENTS ACT OF 1989

NOVEMBER 9 (legislative day, NOVEMBER 6), 1989.—Ordered to be printed

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Mr. PELL, from the Committee on Foreign Relations, submitted the following

REPORT

[To accompany S. 1868]

The Committe on Foreign Relations, having had under consideration an original bill (S. 1868) to amend the Arms Control and Disarmament Act to authorize appropriations for fiscal year 1990 for the Arms Control and Disarmament Agency, and for other purposes, reports favorably thereon and recommends that the bill do pass.

PURPOSE

The purpose of the bill is to authorize an annual appropriation for fiscal year 1990 for the Arms Control and Disarmament Agency (ACDA) of $36,000,000 and such additional amounts as may be necessary for fiscal year 1990 for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates. The bill also includes a technical provision at the request of the executive branch that will eliminate the need for two sets of travel orders and unduly complicated procedures for ACDA employees who travel on offical business beginning in one fiscal year and ending in the next.

The bill assigns the Deputy Director specific duties in certain key areas, including administrative management, intelligence-related activities, and security. This provision is in recognition of managerial problems at the Agency's headquarters in Washington and at the Geneva negotiations which needed to be addressed and clearly required the placing of authority and responsibility at the senior

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management level of the Agency. The Deputy Director was assigned these duties to ensure their handling by an official answerable to the Director, the Secretary of State, the President, and the Congress.

The bill also gives the two Special Representatives for Arms Control and Disarmament Negotiations specific assignments in discrete areas. One Special Representative is to have specific responsibilities for conventional arms negotiations. The Committee expects the Director to assign adequate staff to this Special Representatives to ensure that ACDA will be able to make a substantial contribution to the vitally important negotiations now underway and, in addition, formulate plans and proposals, as appropriate, for conventional arms reductions in regions in the world other than in Europe, as well as for the control and limitation of the international traffic in arms. The other Special Representative shall be fully qualified to serve as Chief Science Advisor to the Director and shall draw upon the assets to the Agency to ensure that the Director has the benefit of scientific advice of the highest caliber. The Committee urges the Director to give careful consideration to assigning the Chief Science Advisor direct responsibility for the long-neglected external research program to ensure that external and internal research are complementary and mutually productive. The Chief Science Advisor might also have responsibility for the direction of the Foster Scholars Program.

Committee Action

The Committee reviewed ACDA's plans and programs at hearings for Ronald F. Lehman, Jr. to be Director of May 5, 1989 and Stephen Read Hammer to be Deputy Director of the Agency on September 27, 1989. In addition, the Committee reviewed and assessed a March 1989, inspection of the Agency by the Office of the Inpsector General, as well as a subsequent semiannual report by that office. The Committee met on October 6, 1989, to mark up an original bill authorizing appropriations for the Agency. At that markup, the bill was considered and ordered reported favorably by unanimous voice vote, with a majority of the Members present and voting.

Committee Comments

It was clear to the Committee upon review of ACDA's spending plans that it was highly questionable whether the Agency could meet the responsibilities it will face in the new year if burdened by the budget strictures proposed by the Administration. Given the opportunities and challenges now emerging in the arms control areas, it is important to U.S. security interests that the Agency have the necessary resources to back up negotiations currently in progress and lay the careful groundwork for arms control efforts over the next few years.

As the Agency reported to the Committee.

> In addition to staff and administrative support for negotiations on a chemical weapons ban at the Geneva Conference on Disarmament, the new NATO-Warsaw Pact nego-

tiations on Conventional Forces in Europe (CFE) and talks aimed at new confidence and security-building measures, ACDA is the lead government agency in preparing for and conducting U.S. representation at the 1990 Nuclear Non-Proliferation Treaty Review Conference, and the Nuclear Testing Talks. ACDA will also continue its primary administrative responsibilities for the bilateral nuclear arms reduction negotiations (e.g., START) and the verification mechanisms stemming therefrom (e.g. the INF Treaty Special Verification Commission).

The Committee concluded that additional funding is needed to ensure the availability of a limited number of additional personnel, to enhance computer analysis support, and for a well-conceived and productive external research program.

In its original request to the Office of Management and Budget, ACDA asked for an additional 35 positions. Approval was given for an additional 10. The enhanced budget approved by the Committee should allow for up to another 10, which is still under ACDA's own assessment of its requirements. Given the new efforts that will be required in various negotiating forums, the enhancements would seem well justified, particularly in the Agency is to be innovative, rather than simply reactive to the most pressing needs.

The increased budget will also allow needed computer enhancement to bolster the analytical capability with which to weigh the impact of various arms control proposals. As the complexity of arms control has grown, the computer has become an indispensable tool both in assessing the implications of complex proposals and in developing new proposals.

Absent an enhanced budget, the proposed external research program could only be described as simply inadequate. The Agency proposed $200,000 for external research in fiscal year 1990, as contrasted with $2,460,000 in the fiscal 1989 budget. A decade ago, the multifaceted ACDA research program was budgeted at more than $3 million. The problem of a declining research budget was compounded by a decision several years ago to allocate inordinate amounts of the available research budget to a single project in the nonproliferation area, despite the urgings of the authorizing committee that the Agency support a balanced research program.

It is imperative that the Agency reinvigorate its research programs as soon as possible. Moreover, it should take care to ensure that the new program recognizes Agency priorities and is tailored to support those priorities. Too often in the past, research funds have been distributed to the Agency's bureaus without sufficient attention. In addition, the research program has been used as the repository of funds to be withdrawn as needed for use in operational accounts. The Agency needs sensible, adequately funded and productive internal and external research programs if it is to be able to hold its own in the interagency process and act as a problem solver in the arms control arena.

Section-by-Section Analysis

Section 1. This section gives the short title, "Arms Control and Disarmament Amendments Act of 1989."

Section 2. This section authorizes expenditures of $36,000,000, an increase of $2,124,000 over the requested level. The House Foreign Affairs Committee has approved an authorized level of $35,881,000 for fiscal year 1990 for ADCA. Both bills authorize such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates. The increased amounts could be used for expected substantial increases in the cost of negotiations, additional external research, the hiring of few additional people above the present level of 194 full-time permanent positions and enhanced computer analysis support.

Section 3. This section spells out detailed duties for the Deputy Director by giving direct responsibility for the administrative management of the Agency, intelligence-related activities, security, and the Special Compartmental Intelligence Facility. This change reflects the strong recommendation of a March 1989, report by the Office of the Inspector General on ACDA which identified a number of management and administrative problems, including security-related issues, both in Washington and Geneva.

Section 4. This section would provide specific areas of responsibility for the holders of two Executive Level IV positions at the Agency. The two positions, with duties assigned on an ad hoc basis, have been occupied by Ambassador Paul H. Nitze, who resigned earlier this year, and Lt. Gen. (Ret.) Edward Rowny. The Inspector General recommended that the positions have more focused responsibilities. One position would be held by a chief science advisor, the IG suggested. The ACDA Director, Ronald F. Lehman, has told the staff he would like to be able to use one special representative position for a senior specialist in conventional arms. The amendment meets those suggestions.

Section 5. This section adds a new section 51 to the ACDA statute to define the relationship of the Agency and the Department of Defense with the On-Site Inspection Agency, which was established last year to carry out the inspection and monitoring provisions of the Intermediate Range Nuclear Forces Treaty. The section recognizes that policy guidance will be developed on an interagency basis, but that the Director and the Secretary should provide guidance in their spheres, which, in the case of the Director, includes a broad range of arms control activities. By statute, ACDA has the responsibility for management, coordination, implementation, and verification of arms control agreements.

Section 6. This section includes a technical provision relating to costs for travel that begins in one fiscal year and ends in another. This change will obviate the need for duplicate travel orders.

Cost Estimate

In accordance with rule XXVI, paragraph 11(a) of the Standing Rules of the Senate, the committee provides the following estimates of the cost of this legislation prepared by the Congressional Budget Office.

Evaluation of Regulatory Impact

In accordance with rule XXVI, paragraph 11(b) of the Standing Rules of the Senate, the committee has concluded that there is no regulatory impact from this legislation.

Changes in Existing Law

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Arms Control and Disarmament Act

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Sec. 23. A Deputy Director of the Agency shall be appointed by the President, by and with the advice and consent of the Senate. [The Deputy Director shall perform such duties and exercise such powers as the Director may prescribe. He shall act for, and exercise the powers of, the Director during his absence or disability or during a vacancy in said office] *The Deputy Director shall have direct responsibility for the administrative management of the Agency, intelligence-related activities, security, and the Special Compartmental Intelligence Facility, and shall perform such other duties and exercise such other powers as the Director may prescribe.* No person serving on active duty as a commissioned officer of the Armed Forces of the United States may be appointed Deputy Director.

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Sec. 27. The President may appoint, by and with the advice and consent of the Senate, two Special Representatives for Arms Control and Disarmament Negotiations [who shall perform such duties and exercise such powers (under the direction of the President and the Secretary of State, acting through the Director) as the Director may prescribe with respect to international arms control and disarmament negotiations and matters relating thereto] , *one of whom shall serve as special represenative for conventional arms control negotiations, and the other shall serve as special representative and chief science advisor to the Director. The two Special Representatives shall perform their duties and exercise their powers under the direction of the President and the Secretary of State, acting through the Director.*

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Sec. 48. Appropriations made to the Director for the purposes of this Act, and transfers of funds to him by other Government agencies for such purposes, shall be available to him to exercise any authority granted him by this Act, including, without limitation, expenses of printing and binding without regard to the provisions of section 11 of the Act of March 1, 1919 (44 U.S.C. 111); purchase or hire of one passenger motor vehicle for the official use of the Director without regard to the limitations contained in section 78(c) of title 5 of the United States Code; entertainment and official courte-

sies to the extent authorized by appropriation; expenditures for training and study; expenditures in connection with participation in international conferences for the purposes of this Act; and expenses in connection with travel of personnel outside the United States, including transportation expenses of dependents, household goods, and personal effects, and expenses authorized by the Foreign Service Act of 1980, not otherwise provided for. *Travel or transportation expenses for which funds are available under the preceding sentence include expenses for travel or transportation which begins in one fiscal year, pursuant to travel orders issued in that fiscal year, but is completed in another fiscal year.*

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[SEC. 49. (a)(1) To carry out the purposes of this Act, there are authorized to be appropriated—

[(A) $29,000,000 for the fiscal year 1988 and $29,800,000 for fiscal year 1989; and

[(B) such additional amounts as may be necessary for each such fiscal year for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates.

[(2) Of the amounts authorized to be appropriated by paragraph (1)(A) for each of the fiscal years 1988 and 1989—

[(A) $7,063,000 shall be available only to pay necessary expenses incurred in connection with arms control negotiations conducted with the Government of the Soviet Union on strategic arms reductions, intermediate-range nuclear forces, and space and defensive weapons;

[(B) not less than $310,000 shall be available only for the program for visiting scholars in the field of arms control and disarmament established under section 28 of this Act;

[(C) $780,000 shall be used for external research to assist the Bureau of Verification and Intelligence in making assessments of possible new systems, devices, and capabilities for verification of arms control;

[(D) not more than $1,560,000 may be used for any other external research program; and

[(E) a total of not more than $3,000,000 may be used for all external research.

[(3) Amounts appropriated under this subsection are authorized to remain available until expended.]

SEC. 49. (a) To carry out the purposes of this Act, there are authorized to be appropriated for fiscal year 1990—

(A) $36,000,000; and

(B) such additional amounts as may be necessary for fiscal year 1990 for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates.

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SEC. [50.] *49A* The Director shall submit to the President, for transmittal to the Congress, not later than January 31 of each

year, a report concerning activities of the Agency. Such report shall include a complete and analytical statement of arms control and disarmament goals, negotiations, and activities and an appraisal of the status and prospects of arms control negotiations and of arms control measures in effect.

SPECIALISTS FLUENT IN RUSSIAN LANGUAGE

SEC. [51.] *49B* The Director is authorized to create up to eight additional permanent personnel positions at both junior and more senior levels for specialists in Soviet foreign and military policies, arms control, or strategic affairs, who also demonstrate fluency in the Russian language.

REPORTS ON ADHERENCE TO AND COMPLIANCE WITH AGREEMENTS

SEC. [52.] *49C* The Congress determines that the achievement and maintenance of successful controls upon armaments requires official and public confidence that the parties are expected to adhere to their commitments and that the parties will be held accountable for failure to meet obligations. Without such confidence, existing arms control accords are eroded, and the prospects are jeopardized for new agreements which can place further controls on the competition in nuclear and conventional weapons and which can increase international stability. In accordance with this determination—

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ACDA INSPECTOR GENERAL

SEC. [53.] *49D* (a) ESTABLISHMENT AND DUTIES.—There shall be an Office of the Inspector General at the Agency headed by the Inspector General of the Agency who shall have the duties, responsibilities, and authorities specified in the Inspector General Act of 1978.

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TITLE V—ON-SITE INSPECTION ACTIVITIES

SEC. 51. POLICY COORDINATION CONCERNING IMPLEMENTATION OF ON-SITE INSPECTION PROVISIONS.

(a) INTERAGENCY COORDINATION.—The OSIA should receive policy guidance which is formulated through an interagency mechanism established by the President.

(b) ROLE OF THE SECRETARY OF DEFENSE.—The Secretary of Defense should provide to the OSIA appropriate policy guidance formulated through the interagency mechanism described in subsection (a) and operational direction, consistent with section 113(b) of title 10, United States Code.

(c) ROLE OF THE DIRECTOR.—The Director should provide to the interagency mechanism described in subsection (a) appropriate recommendations for policy guidance to the OSIA consistent with sections 2(d), 22, and 34(c) of this Act.

(d) DEFINITION.—As used in this section, the term "OSIA" means the On-Site Inspection Agency established by the President, or such other agency as may be designated by the President to carry out the on-site inspection provisions of the INF Treaty.

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